

April 24, 2005

Dear Neighbors,

Our real estate taxes will increase an estimated 10% next year if we vote in favor of the Community Preservation Act (CPA) and all the appropriation requests on this year's warrant and ballot. CPA proponents state that 3% will be added to our real estate taxes, but we should consider the entire 10% tax increase that is possible next year. On a house valued at \$750,000, if the CPA and all other requests are approved, next year's taxes will increase about \$900 to \$9950.

Real estate taxes have traditionally been raised to pay for fire and police protection, highway maintenance, schools and town administration. The CPA steps outside that tradition. Some programs and projects allowed under CPA are unnecessary or should be funded through donations and fundraising rather than through real estate taxes. The Topsfield Athletic Association (TAA) and the Topsfield Beach Association, for example, support great recreation programs without taxes. Likewise, the ABC program provides housing and opportunity for youth. The Essex County Greenbelt has successfully protected open space in Topsfield and this year the "stand alone Senior Center " is being proposed outside the Town budget.

Our Town Election on May 5, 2005 includes a referendum in which we are asked to accept or reject the mandates of the Community Preservation Act. Before voting on this binding referendum, please consider the following about the CPA:

- Adds 3% surcharge to our real estate tax bill and is mandated for a minimum of 5 years.
- Increases the cost and complexity of our Town government and may require additions to staff.
- State matching funds are not guaranteed. The State's CPA fees go into a trust that is controlled by the Massachusetts Legislature. Legislatures change their minds frequently and can divert the funds.
- State approval is required before funds are spent under this Act. Do we want the State controlling our local tax dollars?
- Specific plans for CPA funds have NOT been outlined. We are being asked to pay into a fund that will be directed by a 9 member board, hand picked by the Selectmen.
- In the three years since the CPA was enacted only 75 cities and towns out of 351 have approved this Act.

This is a complicated and far reaching Act. Please feel free to contact Dick Gandt 887-5969 or Eldon Goodhue 887-6060 with questions about the CPA and its affect on Topsfield.